



# GRAIN TRANSPORTATION REPORT

Transportation & Marketing, Agricultural Marketing Service  
United States Department of Agriculture

November 26, 2002

<u>TM GRAIN TRANSPORT COST INDICATORS</u>	<u>Truck</u>	<u>Rail</u>	<u>Barge</u>	<u>Ocean</u>	
				<u>Gulf</u>	<u>PNW</u>
Indicator Value* for 11/26	95	99		110	114
Compared to Last Week	➡	⬇		⬆	⬆
* Indicator: Base Year 2000=100; Cost Data. Weekly Updates include Truck=Diesel, Rail=Nearby Secondary Rail Market; Barge=Spot Illinois River Basis; Quarterly Updates for Ocean Vessel based on Routes to Japan					

Dec. 4-6	International Workboat Show	New Orleans, LA	800-454-3007 (ph) <a href="http://www.workboatshow.com">www.workboatshow.com</a>
Dec. 8-10	Nat'l. Grain and Feed Assoc. (NGFA) 31 <sup>st</sup> Annual Country Elevator Council Meeting, 6 <sup>th</sup> Annual Feed Industry Council Meeting & Trade Show.	St. Louis, MO	202-289-0873 (tel.) <a href="mailto:ngfa@ngfa.org">ngfa@ngfa.org</a>
Dec. 11-13	American Seed Trade Association (ASTA) 32 <sup>nd</sup> Soybean Seed and 57 <sup>th</sup> Corn & Sorghum Seed Conference & Seed Expo	Chicago, IL	888-890-7333 (ph) 703-837-8140 (ph)
Jan. 12-16, '03	Transportation Research Board (TRB) 82 <sup>nd</sup> Annual Meeting	Washington, DC	202-334-2934 (ph) 202-334-2003 (fax) <a href="http://www.trb-agtrans.org/events.htm">www.trb-agtrans.org/events.htm</a>
Jan. 19-22	American Farm Bureau Federation (AFBF) 84 <sup>th</sup> Annual Meeting and Convention	Tampa Bay, FL	847-685-8600 (ph) 202-484-3600 (ph) <a href="http://www.fb.org">www.fb.org</a>
Jan. 26-31	Wheat Industry Conference	Albuquerque, NM	202-547-7800 (ph) <a href="mailto:wheatworld@wheatworld.org">wheatworld@wheatworld.org</a>
Feb. 11-13	World Ag Expo	Tulare, CA	614-292-4278 (ph)
Feb. 16-18	Annual Sorghum Industry Conference and 23 <sup>rd</sup> Biennial Research & Utilization Conference	Albuquerque, NM	806-749-3478 (ph) <a href="mailto:conference@sorghumgrowers.com">conference@sorghumgrowers.com</a>
Feb. 20-21	USDA 79 <sup>th</sup> Annual Agricultural Outlook Forum	Arlington, VA	202-314-3451 (ph) <a href="mailto:agforum@oce.usda.gov">agforum@oce.usda.gov</a>
Feb. 27-Mar. 1	Commodity Classic Trade Show	Charlotte, NC	Beth Musgrove 314-275-9915 (ph) <a href="mailto:musgrove@ncga.com">musgrove@ncga.com</a>
Mar. 25-28	National Grain and Feed Association (NGFA) 107 <sup>th</sup> Annual Convention	Tucson, AZ	202-289-0873 (ph) 202-289-5388 (fax) <a href="mailto:ngfa@ngfa.org">ngfa@ngfa.org</a>

**Contents**

Rail .....	<u>3</u>
Barge .....	<u>5</u>
Truck .....	<u>6</u>
Grain Exports	<u>7</u>
Container ...	<u>9</u>

The Grain Transportation Report is a weekly news source for grain logistics. Detailed data and trend information on five major modes: barge, truck, rail, container, and vessel, provide timely insight into grain transport. The report is offered to policymakers and industry as a tool in day-to-day decision making and longer-term strategic planning for an effective and efficient U.S. grain logistics system.

### Market Update: U.S. Origins to Export Position Price Spreads

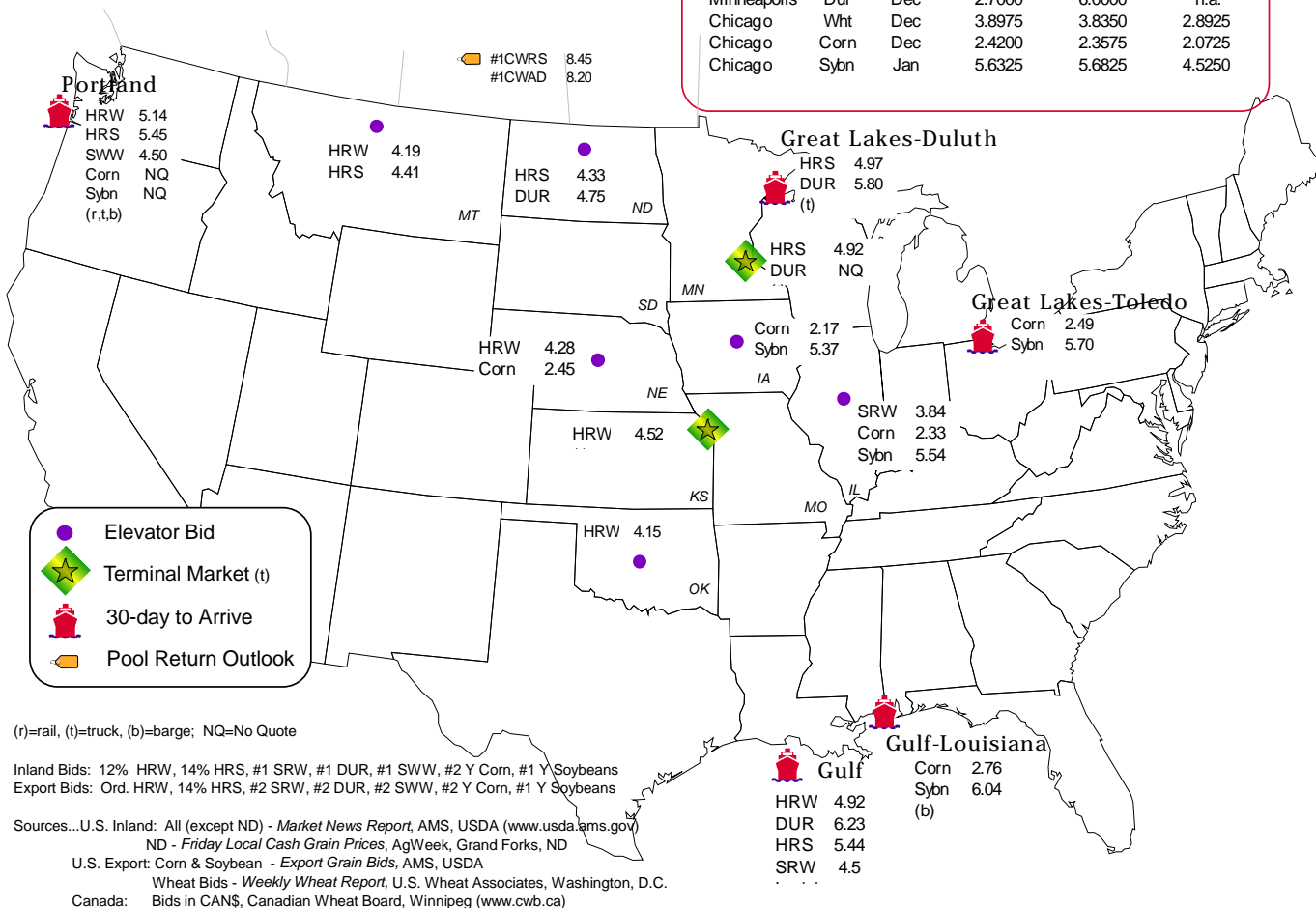
Per Bushel

Commodity	Origin--Destination	This week	Last week
Corn	IL -- Gulf	0.43	-0.40
Corn	NE -- Gulf	-0.31	-0.30
Soybean	IA -- Gulf	-0.67	-0.80
HRW	KS -- Gulf	-0.40	-0.46
HRS	ND -- Portland	-1.12	-0.99

The **Grain Bid Summary** illustrates the market relationships for corn, soybeans, and five varieties of wheat among selected origins and destinations. Positive and negative adjustments in the differential between terminal and futures markets, and the relationship to inland market points, are indicators of changes in fundamental market supply and demand. The map may be used to monitor market and time differentials.

## Grain Bid Summary

Futures:			11/15/2002	Week Ago 11/11/2002	Year Ago 11/16/2001
Kansas City	Wht	Dec	4.3250	4.2500	2.8950
Minneapolis	Wht	Dec	4.4675	4.4625	3.0575
Minneapolis	Dur	Dec	2.7000	6.0000	n.a.
Chicago	Wht	Dec	3.8975	3.8350	2.8925
Chicago	Corn	Dec	2.4200	2.3575	2.0725
Chicago	Sybn	Jan	5.6325	5.6825	4.5250



## RAIL TRANSPORTATION

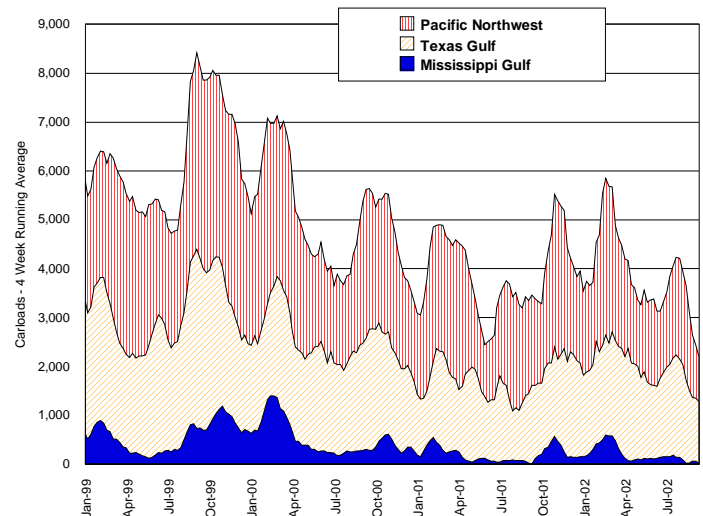
### Rail Deliveries to Port

Carloads

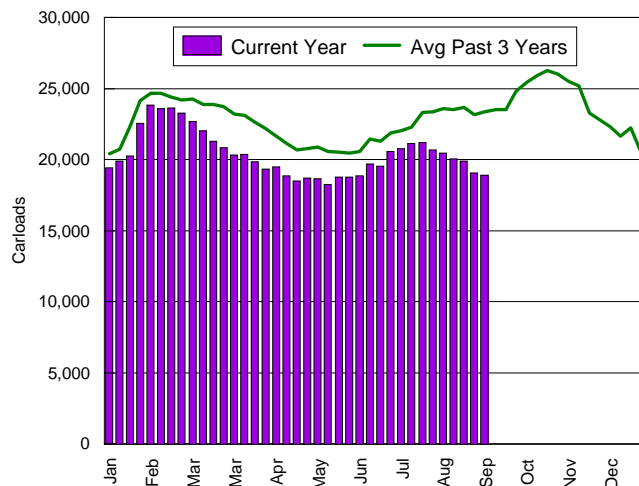
	Mississippi Gulf*	Texas Gulf	Pacific Northwest	Atlantic & East Gulf	Total
Week Ending:					
11/06/02	2	1,096	3,531	498	5,127
11/13/02	114	1,261	3,765	504	5,644
YTD 2002	9,786	76,137	95,346	18,839	200,108
YTD 2001	9,186	70,178	99,859	22,779	202,002
% of Last Year	107%	108%	95%	83%	99%
Total 2001	10,022	81,804	111,376	26,604	229,806
Total 2000	25,767	104,473	128,414	14,816	273,470

Source: Transportation &amp; Marketing/AMS/USDA; (\*) Incomplete Data

### Rail Deliveries to Port



### Grain Car Loadings for Class I Railroads



Railroads originate approximately 40% of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

### Class I Rail Carrier Grain Car Bulletin

Grain Carloads Originated and Grain Service Index

	East		West			U.S. Total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
11/16/02	2,941	3,955	9,653	450	6,286	23,285	2,862	4,037
This Week Last Year	4,009	4,306	10,771	629	6,525	26,240	5,144	4,735
2002 YTD	126,504	145,750	351,997	23,713	303,692	951,656	174,362	175,674
2001 YTD	135,961	145,037	382,336	22,762	309,382	995,478	225,717	207,591
% of Last Year	93%	100%	92%	104%	98%	96%	77%	85%
2001 Total	151,864	163,018	428,603	26,330	347,156	1,116,971	254,982	232,461

### U.S. Rail Carrier Grain Service Index\*

Dec-01	95.5	93.1	100.9	101.0	98.0	97.5
--------	------	------	-------	-------	------	------

Source: Association of American Railroads; \*Base Year =2001, Index based on Number of Covered Hopper Cars Online for Rail Carrier

Rail service may be ordered directly from the railroad via **Auction** for guaranteed service or tariff for non-guaranteed service, or through the secondary market. The **Secondary Rail Market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The auction and secondary rail values are indicators of rail service quality and demand/supply.

### Railroad Car 'Auction' Results

Average Premium/Discount to Tariff, \$/Car - Last Auction

Delivery for:	Dec-02	Jan-03	Feb-03
COT/N. Grain	\$543,413	\$37,500	no bid
COT/S. Grain	\$300,114	\$127,500	\$60,000
GCAS/Region 1	no bid	\$2	\$1
GCAS/Region 2	\$108	\$13	\$4

Source: Transportation & Marketing/AMS/USDA.

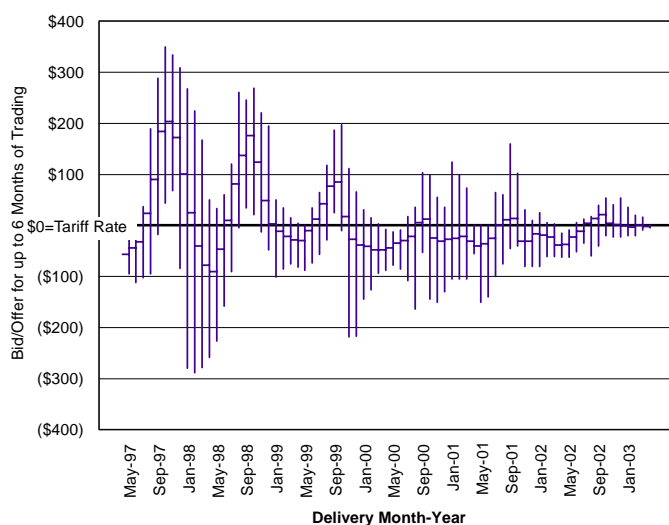
(COT=Certificate of Transportation; GCAS=Grain Car Allocation System)

### Secondary Rail Car Market

Average Premium/Discount to Tariff, \$/Car - Last Week

	Delivery Period			
	Nov-02	Dec-02	Jan-03	Feb-03
BNSF-GF	\$8	\$14	\$1	\$(1)
UP-Pool	\$0	\$34	\$36	\$20

### Secondary Rail Market Bid



### Tariff Rail Rates for Unit Train Shipments

November 2002

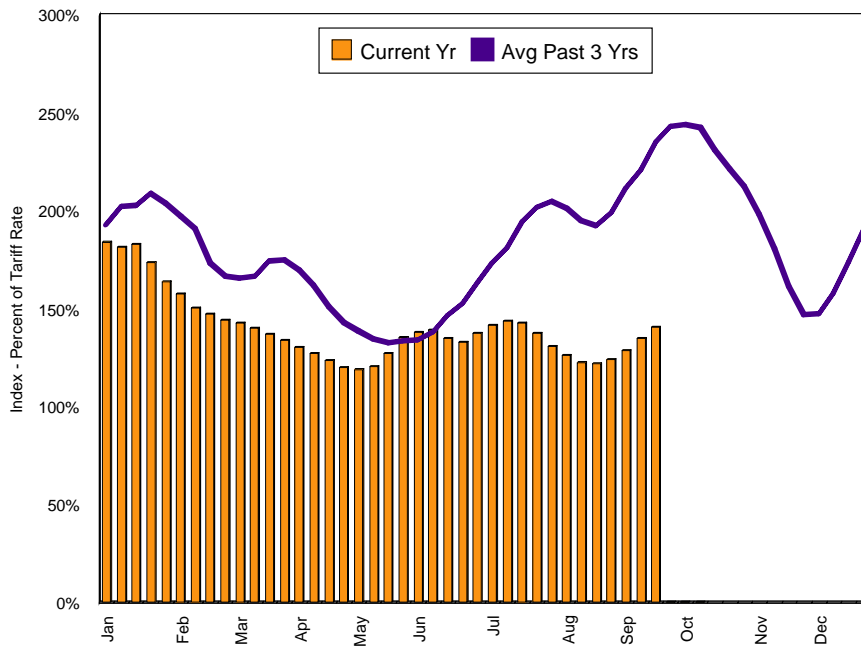
Date Effective	Tariff Item	Commodity	Origin	Destination	Rate Per Car	Rate Per MT	Rate/Per Bushel*
11/04/02	45560	Wheat	Minneapolis, MN	Houston, TX	\$2,050	\$22.60	\$0.62
11/04/02	43521	Wheat	Minneapolis, MN	Portland, OR	\$3,877	\$42.74	\$1.16
11/04/02	46540	Wheat	Kansas City, MO	Houston, TX	\$1,650	\$18.19	\$0.50
11/04/02	43586	Wheat	Kansas City, MO	Portland, OR	\$4,347	\$47.92	\$1.30
11/04/02	43581	Wheat	Omaha, NE	Portland, OR	\$4,005	\$44.15	\$1.20
11/04/02	31005	Corn	Minneapolis, MN	Portland, OR	\$3,050	\$33.62	\$0.85
11/04/02	31035	Corn	Kansas City, MO	Portland, OR	\$2,700	\$29.76	\$0.76
11/04/02	31005	Corn	Omaha, NE	Portland, OR	\$2,850	\$31.42	\$0.80
11/04/02	61110	Soybean	Minneapolis, MN	Portland, OR	\$3,030	\$33.40	\$0.91
11/04/02	61110	Soybean	Omaha, NE	Portland, OR	\$2,780	\$30.64	\$0.83

Source: www.bnsf.com

Approximate load per car = 100 tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

## BARGE TRANSPORTATION

**Illinois River Barge Rate Index - Rate Quotes**



The **Illinois River Barge Rate Index** averaged 183% of the Benchmark Tariff Rate between 1999 and 2001, based on weekly market quotes. The **Index**, along with **Rate Quotes** and **Futures Market** bids are indicators of grain transport supply and demand.

Calculating barge rate per ton:  
 $\text{Index} \times 1976 \text{ Tariff Benchmark Rate per Ton}$

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map below.

### BARGE RATE QUOTES: Southbound Barge Freight

Index=Percent of Tariff, Based on 1976 Tariff Benchmark Rate

	11/20/02	11/13/02	Dec '02	Feb '03
Twin Cities	297	303	nq	nq
Mid-Mississippi	233	266	nq	nq
Illinois River	214	223	175	180
St. Louis	190	179	129	127
Lower Ohio	167	164	137	131
Cairo-Memphis	168	165	122	124

Source: Transportation & Marketing /AMS/USDA; nq=no quote

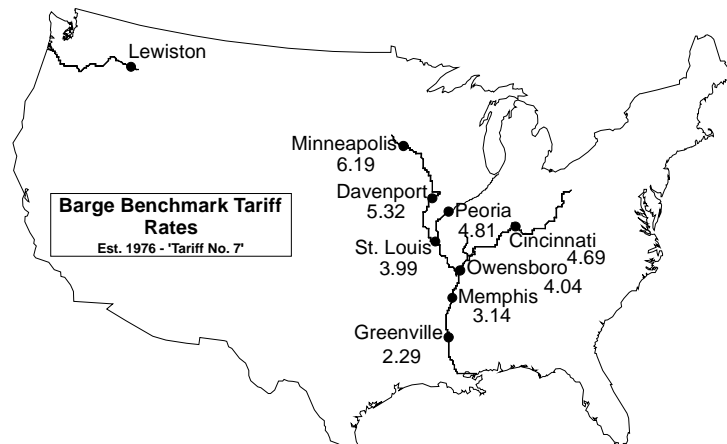
### BARGE FUTURES MARKET

#### Southbound Barge Freight Nominal/Cash Basis Values

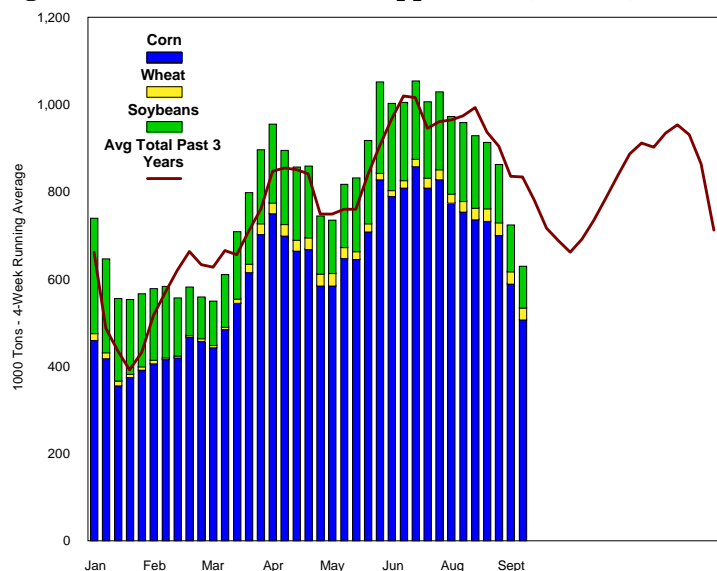
Index=Percent of Tariff, Based on 1976 Tariff Benchmark Rate

Week ended	River/Region	Contract Period	Rate	
			Futures	Cash
11/26/02	St. Louis	Sept	n/a	n/a
		Nov	n/a	223
		Jan	n/a	135
		Mar	n/a	135
		May	n/a	135
	Illinois River	Sept	n/a	n/a
		Nov	n/a	240
		Jan	n/a	200
		Mar	n/a	160
		May	n/a	145

Source: St. Louis Merchants Exchange



## Barge Movements on the Mississippi River (Lock 27)



## Barge Grain Movements

for week ending 11/16/02

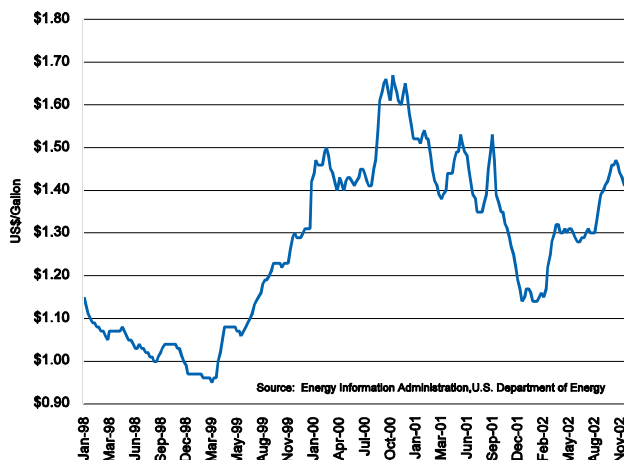
	Corn	Wht	Sybn	Total
	1,000 Tons			
Mississippi River				
Rock Island, IL (L15)	556	3	165	730
Winfield, MO (L25)	630	6	160	805
Alton, IL (L26)	824	8	200	1,041
Granite City, IL (L27)	792	21	200	1,023
Illinois River (L8)	159	2	39	200
Ohio River (L52)	11	9	35	57
Arkansas River (L1)	0	14	14	28
2002 YTD	28,642	2,253	9,335	41,590
2001 YTD	26,631	2,338	7,712	38,331
% of Last Year	108%	96%	121%	109%
Total 2001	31,878	2,679	10,616	47,091

YTD and Calendar year total includes Miss/27, Ohio/52 and Ark/1.

Source: U.S. Army Corp of Engineers.

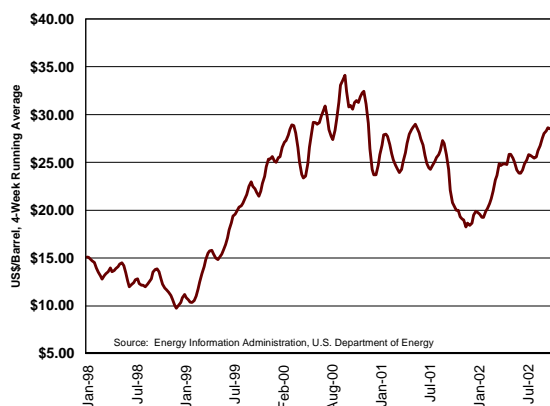
## TRUCK TRANSPORTATION

## Weekly U.S. Retail Road Diesel Price



The weekly **Diesel Price** provides a proxy for trends in U.S. truck rates. Diesel fuel is a significant expense for truck grain movements, accounting for 37% of the estimated variable cost. **Crude Oil Price** is an indicator in future diesel price trends.

## Weekly Brent Crude Price, Friday Close



## Crude Oil Prices

US\$ per Barrel	This Week	Last Week	
Light Sweet Crude (NYMEX)	28.51	28.34	▲
Brent Crude	26.76	26.26	▲

Source: [www.eia.doe.gov](http://www.eia.doe.gov); \*U.S. Refiner Crude Acquisition Cost, Composite Domestic & Import

Note: Light Sweet Crude is exchanged on the New York Mercantile Exchange. North Sea oil has a "benchmark" role in crude oil pricing. Brent crude, a blend of North Sea oils, is traded on the International Petroleum Exchange in London

<b>GRAIN EXPORTS</b>
----------------------

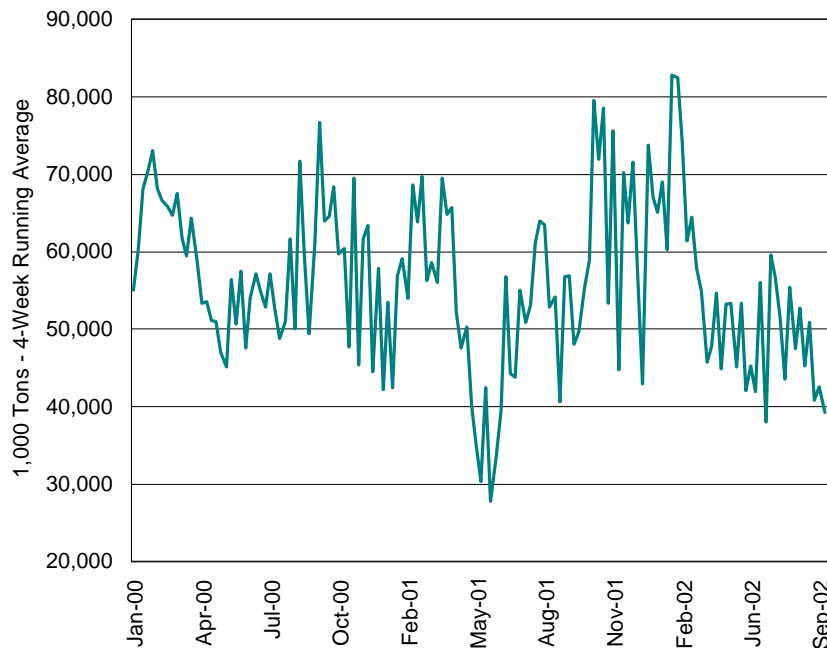
**U.S. Export Balances** (1,000 Metric Tons)

	HRW	SRW	Wheat		DUR	All	Corn	Soybean	Total
			HRS	SWW					
<u>Unshipped Export Balances</u>									
11/14/02	1,437	794	1,555	876	165	4,827	8,295	7,590	20,712
This Week Year Ago	1,377	766	1,095	563	236	4,037	6,824	8,904	19,765
<u>Cumulative Exports-Crop Year</u>									
01/02 YTD	3,887	1,282	3,293	1,647	426	10,535	7,302	6,660	24,497
00/01 YTD	3,725	2,767	2,490	1,546	612	11,139	9,261	17,713	38,113
99/00 Total	9,858	4,710	6,305	5,413	1,232	27,518	37,220	24,516	89,254
98/99 Total	7,387	3,645	7,864	6,105	963	25,965	44,476	24,501	94,942
97/98 Total	9,867	6,792	8,918	6,443	897	32,918	55,769	23,550	112,237

Source: Foreign Agricultural Service YTD-Year-to-Date ([www.fas.usda.gov](http://www.fas.usda.gov)) Crop Year:Wheat=5/31-6/01, Corn & Soybeans=9/01-8/31**Select U.S. Port Regions - Grain Inspections for Export - 1,000 Metric Tons**

	<u>Pacific Region</u>			<u>Mississippi Gulf</u>			<u>Texas Gulf</u>			<u>Port Region Total</u>		
	Wheat	Corn	Soybn	Wheat	Corn	Soybn	Wheat	Corn	Soybn	Pacific	Mississippi	Texas
11/21/02	203	169	0	76	748	561	39	2	77	372	1,385	118
2002 YTD	7,971	3,473	2,542	4,992	32,710	15,437	5,279	261	992	13,986	53,139	6,532
2001 YTD	8,523	4,774	2,593	5,659	31,529	14,272	5,222	257	1,391	15,890	51,460	6,870
% of Last Year	80%	58%	149%	74%	93%	86%	76%	56%	98%	79%	89%	78%
2001 Total	10,007	5,877	1,647	6,829	34,991	17,996	6,984	470	1,008	17,530	59,816	8,462

Source: Federal Grain Inspection Service YTD-Year-to-Date

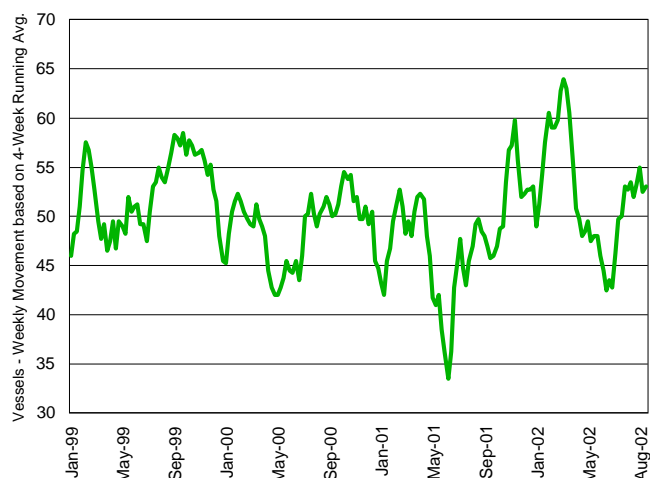
**U.S. Grain Inspected for Export****Select Canadian Port Export Inspections**

1,000 Metric Tons, Week End Summary

	Wheat	Durum	Barley
11/14/02			
Vancouver	318	21	5
Prince Rupert	607	49	
Prairie Direct	178	151	71
Thunder Bay	180	119	59
St. Lawrence	2,630	440	133
2001/02 YTD	3,913	780	268
2002/03 YTD	1,753	956	135
% of Last Year	223%	82%	199%

Source: Canadian Grains Commission, Crop Year 8/1- 7/31

### Gulf Port Region Grain Vessel Loading Past 7 Days

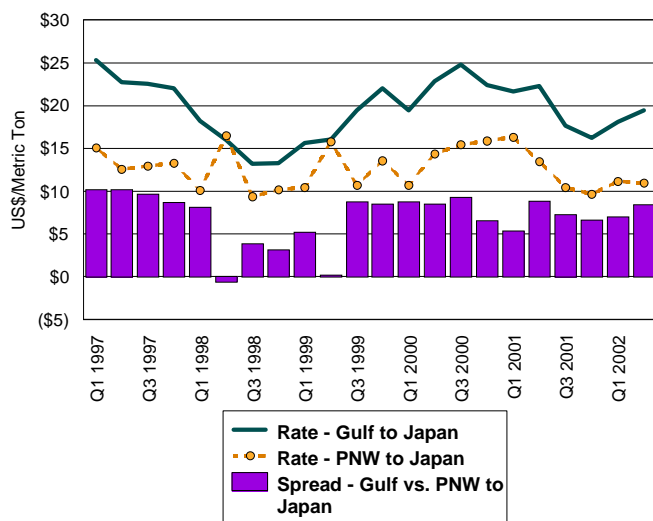


### Port Region Ocean Grain Vessels

	Gulf			Pacific Northwest	Vancouver B.C.
	In Port	Loaded 7-Days	Due Next 10-Days	In Port	In Port
11/14/02	46	53	76	8	5
11/21/02	40	55	67	10	6
2001 Range	(13..65)	(28..64)	(46..81)	(1..18)	(4..20)
2001 Avg	36	48	63	9	12

Source: Transportation &amp; Marketing /AMS/ USDA

### Grain Vessel Rates to Japan



### Quarterly Ocean Freight Rates

Average Rates &amp; Percentage Changes, U.S. Dollars/Metric Ton

	2002 3 <sup>rd</sup> Qtr	2001 3 <sup>rd</sup> Qtr	% Change		2002 3 <sup>rd</sup> Qtr	2001 3 <sup>rd</sup> Qtr	% Change
<b>Gulf to</b>				<b>Pacific NW to</b>			
Japan	\$19.54	\$17.69	9%	Japan	\$11.57	\$11.46	10%
Mexico	\$7.14	-	-				
Venezuela	-	\$13.45	-				
N. Europe	-	\$12.06	-				
				<b>Argentina to</b>			
N. Africa	\$31.64	\$18.21	42%	Med. Sea	\$19.93	-	-
Med. Sea	\$11.92	\$12.05	-1%	N. Europe	-	\$16.22	-
Black Sea	-	-	-	Japan	-	\$29.40	-

Source: Transportation &amp; Marketing/AMS/USDA; (\*) rates shown are for metric ton (2,204.62 lbs.=one metric ton)

### Ocean Freight Rates for Selected Shipments - week ending 11/23/02

Export Region	Import Region	Grain	Month	Volume Loaded (Tons)	Freight Rate (\$/Ton)
U.S. Gulf	Taiwan	Heavy Grain	Dec 1/7	54,000	\$23.50
U.S. Gulf	Taiwan	Heavy Grain	Dec 16/23	54,000	\$23.60
U.S. Gulf	Japan	Heavy Grain	Dec 1/11	54,000	\$24.40
U.S. Gulf	Japan	Heavy Grain	Dec 1/10	54,000	\$24.25

Source: Maritime Research Inc.; rates shown are for metric ton (2,204.62 lbs.=one metric ton), F.O.B., except where otherwise indicated; op=option

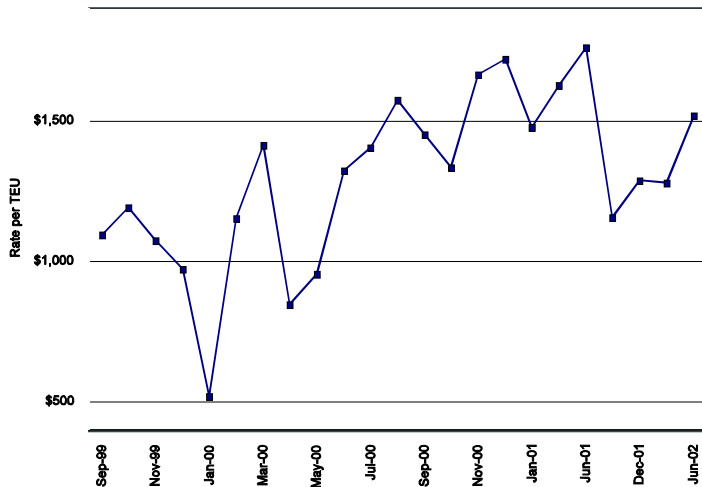
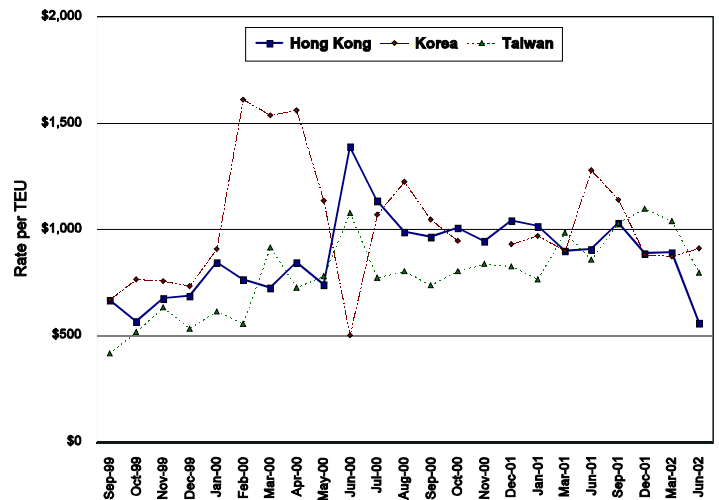


CONTAINER

**Container Ocean Freight Rates**

Monthly Weighted Averages Based on Shipping Line Monthly Mkt. Share

Source: Transportation &amp; Marketing/AMS/USDA

**Container Rates - Soybeans**  
Seattle, WA Origin to Tokyo, Japan**Container Rates - Feed Grain**  
Seattle, WA Origin to Selected Destinations

Approximately 420,000 MT of grain and oilseed exports were marketed via container in 2001. This volume increased 26% compared to 1997.